

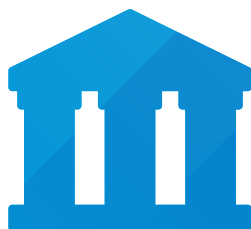


NATIONAL CENTER FOR
THE MIDDLE MARKET

FINANCIAL SERVICES

MIDDLE MARKET INDICATOR

4Q | 2020



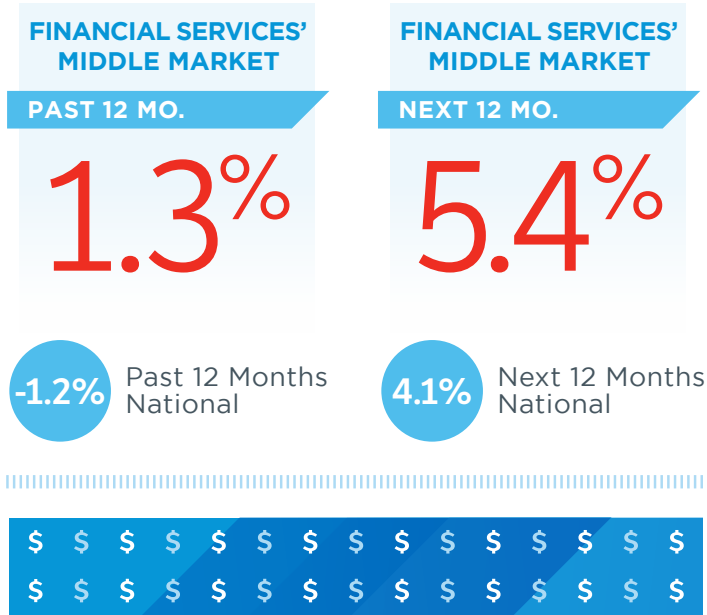
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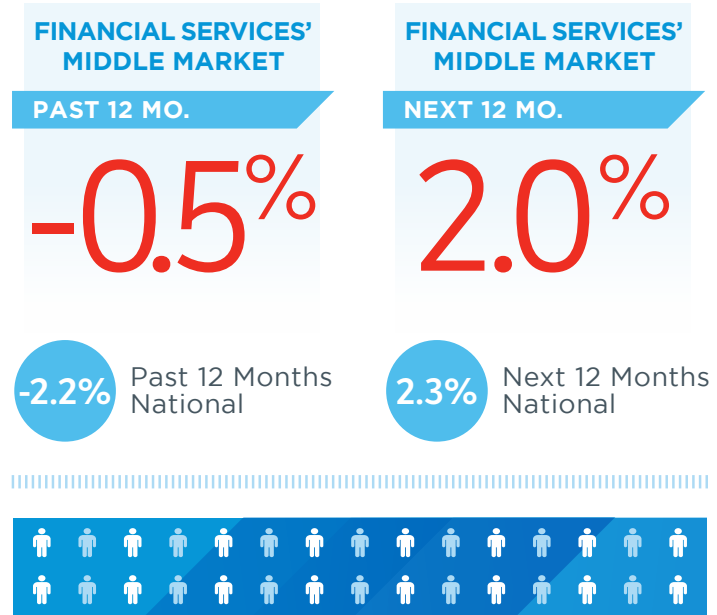
THE OHIO STATE UNIVERSITY
FISHER COLLEGE OF BUSINESS

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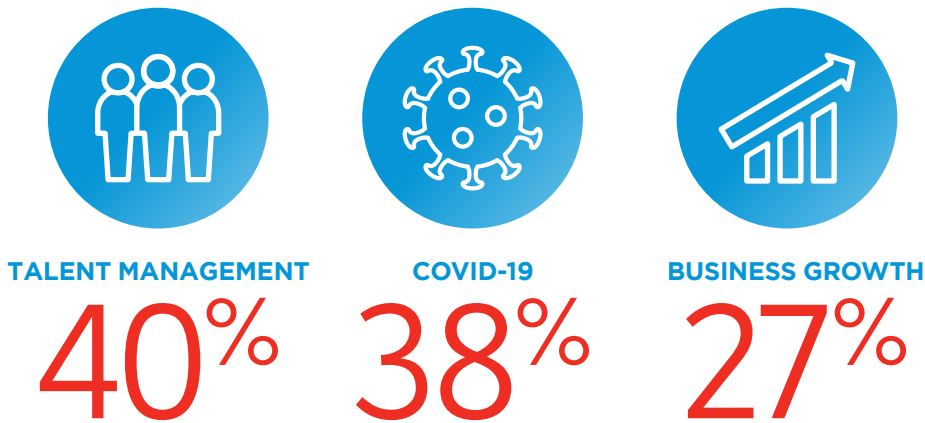
Financial Services' Revenue Growth vs. National



Financial Services' Employment Growth vs. National

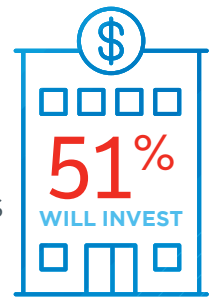


Financial Services' Top Internal Challenges Over The Next 12 Months



Capital Investment Plans Still On Hold

WILLINGNESS TO INVEST DECREASES AMONG MIDDLE MARKET FINANCIAL SERVICES COMPANIES SINCE 58% REPORTED IN 2Q'20.



VS. NATIONAL MIDDLE MARKET

Talent Management	COVID-19	Financial
50%	38%	22%

Long-Term Negative Impact of COVID-19 on Financial Services vs. Other Industries

	ALL MIDDLE MARKET COMPANIES	BUSINESS SERVICES	MANUFACTURING	WHOLE-SALE TRADE	RETAIL TRADE	CONSTRUCTION	FINANCIAL SERVICES	HEALTH-CARE	TECHNOLOGY*
BUSINESS OPERATIONS	56%	28%	39%	44%	45%	39%	32%	39%	35%
2021 PROJECTED REVENUE	43%	34%	38%	45%	41%	50%	41%	40%	37%
SUPPLY CHAIN	43%	25%	48%	65%	44%	31%	25%	42%	40%
GROWTH INITIATIVES	41%	50%	38%	47%	46%	40%	30%	43%	38%
CUSTOMER DEMAND	39%	27%	42%	38%	38%	35%	44%	33%	36%
EMPLOYMENT (I.E., NUMBER ON STAFF)	37%	30%	35%	43%	36%	37%	24%	37%	24%
CAPITAL SPENDING	34%	30%	33%	37%	37%	37%	27%	31%	23%
PAYROLL (I.E., HOURS WORKED)	32%	21%	35%	30%	37%	32%	21%	37%	19%
WORKING CAPITAL/CASH	31%	27%	28%	26%	32%	34%	27%	36%	17%
ACCESS TO CAPITAL	30%	21%	27%	43%	36%	20%	20%	31%	27%
DIGITAL TRANSFORMATION	18%	18%	24%	17%	19%	12%	13%	20%	18%

Percent of respondents stating they expect a minor or major long-term negative impact from COVID-19

*Includes companies also represented in other industries, e.g., computer manufacturers, IT services, healthcare, fintech.

Financial Services' Middle Market Defined

ANNUAL REVENUE
\$10 MM-\$1B



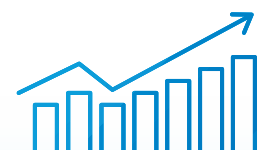
REPRESENTS
1.1%
OF ALL FINANCIAL
SERVICES COMPANIES

MORE THAN
8,100
BUSINESSES



EMPLOYS
28.2%
OF THE FINANCIAL
SERVICES WORKFORCE

GENERATING
\$455B
IN ANNUAL REVENUE



GENERATES
14.7%
OF ALL FINANCIAL SERVICES
BUSINESS REVENUE

Source: 2014 D&B Data

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